

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
September 19, 2007

**Montana-Dakota Utilities Co., A Division  
of MDU Resources Group, Inc.  
October 2007  
Cost of Gas Adjustment/Propane**

**PU-07-651  
Filed 09/10/2007**

MDU is increasing its propane Cost of Gas Adjustment by **\$1.098 per dekatherm** (dk) compared to last month. The **Cost of Gas Adjustment** will change from \$11.159 per dk to **\$12.257 per dk**. The revised cost of gas adjustment will be applied to propane gas bills issued during **October 2007** to Hettinger customers.

The commodity cost change is a result of the lowest price MDU obtained from its regional bulk wholesale propane suppliers. The change in the price of propane is generally driven by a combination of crude oil and natural gas prices, weather, demand, and inventory levels.

For residential customer usage of 7.0 dk (representative of October), the cost of propane gas in the bill will be approximately \$7.69 higher than last month and \$2.07 higher than October 2006. There were 327 propane customers in Hettinger as of August 31, 2007.

The Department of Energy (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the website: <http://www.eia.doe.gov>.